

**Summary of Substantive Changes to the
Regional Measure 2 Policies and Procedures**
April 6, 2007

June 23, 2004	Original adoption of the Policies and Procedures
November 17, 2004 (First Amendment)	<ul style="list-style-type: none"> • Addition of transit performance measures • Removal of the fringe benefit cap on sponsor staff costs (uncapped) • Revisions to the capital allocation request process. Requirement of workplans and estimated budget plans associated with the allocation request. • Addition and clarification of environmental clearance requirements and documentation • Executive Director Delegated Authority on Monthly invoicing. • Addition of operating life requirements for transit vehicle procurements • Operating Guidance updates • Other technical clarifications
September 21, 2005 (Second Amendment)	<ul style="list-style-type: none"> • Allowance for overhead rate applications to sponsor staff costs, reimbursable up to 50%. • Lease financing option for transit vehicle procurements • Categorization of Quarterly and Semi-annual project progress reporting requirements • Annual progress reporting process update • Addition of consistency with regional Intelligent Transportation System (ITS) and Traffic Operation System (TOS) policies requirement • Document Reorganization • Other technical clarifications
March 28, 2007 (Third Amendment)	<ul style="list-style-type: none"> • Clarification of specific project conditions at the time of MTC allocation • Modifications to timely use of funds provisions and deadlines • Adjustments to the invoice submittal requirements • Addition of project close-out provisions for Capital Program projects • Other technical clarifications

<p>May 28, 2008 (Fourth Amendment)</p>	<ul style="list-style-type: none"> • Changes to the Invoicing & Reimbursements section, to allow sponsors with extenuating circumstances to submit requests for invoicing more frequently than monthly when submitting the Initial Project Report to MTC. • Clarifications to the Estimated Budget Plan section of the RM2 IPR format, to add procedures for sponsors to include both the RM2 funds as well as the complementary funds (for projects with complementary fund sources) for the entire work scope in the Estimated Budget Plan. • Other technical amendments to the Policies & Procedures to clarify certain sections. The intent of the Policies & Procedures in these areas remains the same.
<p>April 22, 2009 (Fifth Amendment)</p>	<p>Capital Program</p> <ul style="list-style-type: none"> • Changes to the Invoicing & Reimbursements section, to allow sponsors with extenuating circumstances to submit requests for supplemental invoices (adding up to more than one per month), which must be approved in advance by MTC staff. • Other technical amendments to the Policies & Procedures to clarify certain sections. The intent of the Policies & Procedures in these areas remains the same. <p>Operating Program:</p> <ul style="list-style-type: none"> • Performance Measure for Farebox Recovery: It was recommended that the measure be modified so that route performance farebox recovery is determined using an average of the audit year plus two years in arrears or just the audit year, whichever is better. This helps account for fluctuations in the transit market beyond the control of operators.

<p>April 28, 2010 (Sixth Amendment)</p>	<p>Capital Program:</p> <ul style="list-style-type: none"> • <i>Cost Savings at Bid Opening:</i> In the event of cost savings at bid opening, the proportional share of RM2 funds will be rescinded and shall be available to the sponsor for any cost increases associated with the project after construction award until the time of final close-out of the construction phase, including the settlement of claims. Any requests for exceptions will be considered on a case-by case basis. • <i>Complementary Bridge Toll Funds (RM1, AB 1171):</i> Some of the projects identified in the Regional Traffic Relief Plan (RM2 projects) include complementary bridge toll funds to complete their project funding plan. The administration of the bridge toll funds in these cases will also be governed by the RM2 Policies & Procedures, unless otherwise stated in the allocating resolution. Also, sponsors of projects with complementary bridge toll funds that have not been expended will be required to continue to provide progress reports on the project status even if all the RM2 funds have been expended. • <i>Technical Amendments:</i> Staff is also proposing to make technical/language amendments to the policies and procedures to update certain sections to reflect the present conditions of the program and to incorporate recent changes -- especially in invoicing processes. Also, language reflecting compliance with MTC Resolution 3866, Transit Coordination Implementation Plan, is added to the implementing agency resolution of project compliance template to reflect recent Commission approval of that policy. <p>Operating Program:</p> <ul style="list-style-type: none"> • <i>Technical Amendments:</i> Staff is proposing a language adjustment that refines the RM2 eligible operating project cost as total RM2 project cost less fares. The change maintains the intent of the legislation and original performance measures. Also, language reflecting compliance with MTC Resolution 3866, Transit Coordination Implementation Plan, is added to the operating board resolution template to reflect recent Commission approval of that policy.
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